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# AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,  
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## COOPERATIVE MARKETING OF FRUITS AND VEGETABLES

Although not the largest group of cooperatives, the associations handling fruits and vegetables are unusually interesting. These associations are the most widely distributed of all the cooperatives. They bear evidence of having been exceptionally resourceful in evolving new plans of organic structure, also new methods for marketing the products of their members. In many cases they have been pioneers in merchandising cooperatively farm products.

There are fruit and vegetable cooperatives in all but three of the 48 states, according to reports received by the U. S. Department of Agriculture. Associations handling fruits and vegetables are numerous in California, Florida, New York, Arkansas, Michigan, Washington and Texas.

As early as 1900 the volume of business handled by the fruit and vegetable cooperatives was an item of goodly proportions. In 1915 thirty-two per cent of the total cooperative business reported to the Department of Agriculture was handled by the fruit and vegetable associations, although this group represented but 17 per cent of the total cooperative membership. Even before 1915 a number of the fruit associations were recognized throughout the country as outstanding successes.

The number of associations handling fruits and vegetables increased during the ten years, 1915 to 1925, by more than 40 per cent; the number of members in such associations increased by more than 60 per cent; and the volume of business handled, as measured in dollars, by nearly 40 per cent. In 1925, 1,237 associations were reporting to the Department of Agriculture. They had an estimated membership of 180,000; and the amount of business for that year was estimated at \$280,000,000.

The leading states, with the number of associations reporting in each, the estimated membership at the close of 1925, and the estimated amount of business for the 1925 season are as follows: California, 225 associations reporting, 59,950 members, \$132,000,000; Florida, 98 associations, 8,300 members, \$34,000,000; New York, 84 associations, 7,900 members, \$8,000,000.

### WASHINGTON GROWERS SELL THEIR OWN PRODUCE

Nearly 700 farmers make up the membership of the Three Rivers Growers' Association, Kennewick, Wash., which was organized in the winter of 1921-22 to handle asparagus, strawberries, cherries and early potatoes. At time of organization the membership was about 250.

This is an irrigated section and the tremendous increase in production of various crops has brought many marketing difficulties. Various plans were tried before the cooperative association was organized and set up its own marketing machinery. A recent report states: "1926 is our fifth year of cooperation and the results are very satisfactory to 99 per cent of the membership."

Asparagus is the main crop handled and the one in which the largest number of growers are interested. The output for 1926 was about 93,000 crates, compared with 12,000 in 1922 and 52,000 in 1925. The association controls from 70 to 75 per cent of the crop in the district. Fifty-two straight cars were shipped in 1926, compared with 26 in 1925.

Cherries were handled in 1926 for the first time and about 5,000 crates were pooled. A material increase in the quantity of strawberries handled was reported.

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### CALIFORNIA FRUIT GROWERS' TRAFFIC DEPARTMENT

The Traffic Department of the California Fruit Growers' Exchange, Los Angeles, has been slowly developing since 1903. In that year a claim committee, consisting of two directors, was created. As shipments increased, the need of a department which could devote its entire time to claim and traffic matters, became apparent, so in the fall of 1904 a committee of three was appointed to establish a claim department. Six years later it was redesignated as the traffic department. It was charged with "handling all routings, inspections, transportation claims, and other traffic matters."

At the present time the department handles all matters affecting the transportation of commodities inbound and outbound by rail or water. It furnishes the contact "between growers and transportation lines for both fruit shipments and the movement of large quantities of packing-house and orchard supplies. It furnishes rates, refrigeration charges and routings direct to the various associations and makes bookings on steamship lines, clears shipments through custom houses and takes care of marine insurance." All matters pertaining to freight rates, train schedules, diversions, refrigeration, ventilation, demurrage and terminal facilities come under the jurisdiction of this department.

During the 1925-26 season, 9,127 claims for overcharges, loss and damage were filed with carriers. These amounted to \$315,650. There were collected during the season, 8,968 claims aggregating \$225,408.

### WHEAT POOL OFFICIALS CONDUCT RADIO PROGRAM

The cooperative marketing of wheat was discussed in a radio program broadcast from Hastings, Nebr., on January 10, by representatives of cooperative wheat marketing associations in attendance on the National Wheat Pool Conference. Addresses were made by officials from seven state associations, and representatives from three Canadian organizations made brief speeches of greeting. The state wheat pools represented at the conference included Indiana, Minnesota, South Dakota, Nebraska, Kansas, Colorado, Oklahoma, and Texas.

Arrangements were made during the day sessions for the spring meeting of the National Wheat Pool Conference to be held in Kansas City, probably at the same time as the International Wheat Pool Conference, the date for which has been changed to May 5-7, for the convenience of the Australian wheat producers who expect to attend.

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### LOCAL GRAIN-POOL ELEVATORS IN MANITOBA

A plan for the local operation of wheat pool elevators in Manitoba has been worked out. If sufficient acreage is controlled, pool members and prospective pool members in any district may move toward the establishment of a pool elevator under the management and control of the Manitoba Pool Elevators, Ltd. A local company is formed under the cooperative association act of the province. This local enters into contract with the Manitoba Pool Elevators, Ltd., for a period of five years, whereby the provincial association builds, buys or leases an elevator for the use of the local association, the local association agreeing to pay an annual sum for depreciation and for rent. The local organization also agrees to pay an annual sum equal to the amount of the taxes, insurance, rental of site, agent's salary, head office expense, and operating expenses. When the sums set aside for depreciation equal the cost of the elevator, the local association becomes the owner of the plant.

Each member of the local association agrees to deliver all of his marketable grain to the elevator during the term of his pool contracts. He also agrees to pay through a bushelage charge his proportionate share of the cost of operation.

The Manitoba Pool Elevators, Ltd., which undertakes to provide elevators for local associations, leases existing elevators, if such will meet the requirements. It also buys existing elevators, and where necessary, builds new elevators. When it is able to lease an existing elevator of standard size, a sign-up of but 4,500 acres is required. If it has to buy or build, a sign-up of 7,000 acres is required, and if a larger elevator than the standard plant is needed, a sign-up of 10,000 acres or more is required.

All the elevators are operated under the general supervision of the Manitoba Pool Elevators, Ltd



### MINNESOTA BUTTERMAKERS STRESSING QUALITY

It is estimated by the management of the Land O'Lakes Creameries, Inc., Minneapolis, Minn., that at least half a million dollars was added to the income of the members of the affiliated creameries during 1926 because of the increased quantity of 93-score butter produced. The figures show that 277 creameries participated in making a new record for quality butter. Approximately 80,000,000 pounds of butter was marketed by this cooperative during the year. In round figures, 17,260,000 pounds of print butter was sold by the organization in 1926, compared with 9,510,000 pounds in 1925.

In addition to selling butter, the association marketed 400 car loads of 40 per cent sweet cream in Philadelphia, Baltimore, Washington, Jacksonville, Miami, and other eastern cities.

Cash prizes amounting to \$310 were paid to 28 creamery operators and managers for selling 1,094 cream-cooling tanks to their patrons during the year. These tanks, it is believed, were an important factor in bringing about the large increase in high quality butter.

Announcement is made of a contest, in connection with the annual meeting of the association to be held in March, for the makers of Land O'Lakes butter. Appropriate cups will be given to the operators who enter the highest scoring butter.

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### IOWA ASSOCIATION TO GO ON A POOLING BASIS

About 450 members attended the annual meeting of the Des Moines Cooperative Dairy Marketing Association, held in Des Moines, January 11. The report of the general manager showed that the membership had increased during the year from 1,260 to 1,711, a total increase of 451, and one of the present problems of the organization was to control the membership, as applications were being received every day.

The quantity of market milk sold to distributors in 1926 was 28,368,940 pounds, compared with 20,671,114 pounds in 1925, an increase of 7,697,826 pounds, or one-third, sold as market milk. The remainder of the milk was sent to the surplus plant for manufacture into various products. During the ten months the plant has been in operation it has handled a total of 7,513,444 pounds of milk. It is estimated that this plant has paid the producers \$15,026 over and above what they received in the past. All the distributors to whom the association sells milk now buy their supply of market milk from the association.

The auditor's report showed that the association had a net worth of \$32,746, represented by surplus of the same amount.

After much discussion it was voted unanimously that the association should be put on a pooling basis.

### REPORT FROM WASHINGTON EGG ASSOCIATION

One thousand eighty-five car loads of eggs were shipped from the six stations of the Washington Cooperative Egg and Poultry Association, Seattle, during 1926. From four of the stations poultry was shipped also, a total of 27 cars being forwarded.

An 8 per cent dividend on common and preferred stock, amounting to \$61,915, has just been paid to the members. In addition to regular dividends on stock, the association has each year made a deferred payment on the eggs shipped by members, and an overcharge return on feed. These regular dividends, deferred credits on eggs and poultry, and savings on feed, have amounted to approximately \$1,500,000 in the seven years of operation.

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### MANITOBA ASSOCIATION MARKETS MORE EGGS AND POULTRY

Poultry and egg marketing are assuming larger proportions each year in Manitoba, as shown by the following figures, selected from a statistical report prepared by the management of the Manitoba Cooperative Poultry Marketing Association, Limited, Hartney, Manitoba.

Year	Dressed poultry		Live poultry			Eggs		
	Pounds marketed	No. of cars	No. of birds	No. of pounds	No. of cars	Dozens	No. of cases	No. of cars
1922	116,351	5	.....	.....	..	.....	.....	....
1923	586,355	30	4,786	21,586	3	.....	.....	...
1924	333,240	19	7,250	32,623	2	129,360	4,312	11
1925	653,742	40	24,350	107,346	9	570,258	19,008	48
1926	946,307	55	19,349	85,446	7	1,242,960	41,432	103

Dressed poultry was shipped from 78 points in 1926, compared with 9 points in the first year of operation, 1922. Only one egg station was operated in 1924, in 1925 there were three, and five in 1926.

Gross receipts for eggs in 1926 amounted to \$336,930; to \$156,907 in 1925; and \$33,432 in 1924. The average net prices to producers in 1926 ranged from 25½ cents to 15 cents, according to grade.

The membership of the organization has grown steadily as follows: 1922, 719; 1923, 2,245; 1924, 3,015; 1925, 5,600; 1926, 7,900.

# PRELIMINARY REPORTS ON OHIO LIVESTOCK SHIPMENTS

Preliminary reports from the livestock shipping associations in 34 Ohio counties indicate that nearly 120,000,000 pounds of livestock was sold for \$14,527,875 in 1926. This livestock consisted of 415,789 hogs, 131,963 sheep, 43,384 calves, and 20,578 cattle. The total number of animals shipped was 611,714 compared with 655,873 animals shipped by the associations in 47 counties in 1925.

The total number of shippers in 1926 was 69,814 compared with 75,424 in 1925. Average total expenses were 56.5 cents per hundred weight in 1926 and 56.9 cents in 1925. Losses covered by insurance in 1926 amounted to \$37,217.

The associations in 34 counties from which reports were received are affiliated with the Ohio Livestock Cooperative Association, Columbus, Ohio, and the Ohio Farm Bureau Federation. The first named organization began functioning in the early part of 1921. It assists the county associations in finding outlets for the stock which they have to market and serves as a clearing house for all the associations.

The activities of the associations affiliated with the state organization since its information, are indicated by the figures in the following tables:

Year	Number of counties reporting	Number of shippers	Weight of livestock shipped	Market sales*
			(Pounds)	
1921**	41	32,141	# 82,335,170	\$ 6,279,539
1922	50	83,599	#151,645,412	13,583,492
1923	60	84,433	#163,550,523	12,423,236
1924	55	78,499	142,911,123	12,164,321
1925	47	75,424	128,751,284	13,961,436
1926#	34	69,814	119,761,513	14,527,875

\* Terminal sales less freight, commission, yardage, and other terminal expenses. \*\*Ten months, March to December.  
#Preliminary report.

Year	Livestock shipped					
	Cattle	Calves	Hogs	Sheep	Total	
					(Number)	(Relative)
1921*	14,980	15,191	305,070	82,043	417,284	54
1922	24,478	46,492	570,037	135,980	776,987	100
1923	25,751	49,536	634,070	125,132	834,589	107
1924	23,199	49,852	588,561	131,900	793,602	102
1925	17,462	50,664	462,411	125,336	655,873	84
1926**	20,578	43,384	415,789	131,963	611,714	79

\* Ten months, March to December. \*\* Preliminary report.



FARMERS' UNION AT SOUTH ST. PAUL

Livestock sales and purchases by the Farmers' Union Livestock Commission, South St. Paul, for 1926, amounted to \$5,301,196. The sales were \$5,194,560 and the purchases, \$106,635. The animals handled numbered 205,999, as follows: Cattle, 23,305; calves, 19,498; hogs, 144,273; and sheep, 18,923. Commissions collected amounted to \$61,533, expenses to \$59,506, and net earnings to \$1,927. Expenses were 97 per cent of commissions. The field men for this organization are assisting farmers in unorganized parts of Minnesota and North Dakota to form livestock shipping associations.

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NATIONAL PRODUCERS CONDUCT CATTLE-BUYING POOL

Through the feeders' cattle pool arranged by the National Livestock Producers' Association, Chicago, last fall, livestock feeders of the Corn Belt bought 11,342 calves, yearlings and two-year-olds direct from producers in Western Texas. The orders from the Corn-Belt feeders were assembled at the office of the National Producers and forwarded to Texas. The animals were selected from the herds of members of the Highland-Hereford Association, under the personal direction of the president of the National Livestock Producers' Association. Approximately 30,000 animals were looked over in selecting the stock to fill the accumulated orders.

Shipments were made from twelve Texas points by the most direct routes to the local stations of the Corn-Belt feeders. The expense of conducting the buying pool including insurance, was met by a 25 cents per hundredweight charge, paid by the feeders, and a charge of 50 cents a head paid by the Texas producers.

This was the second buying pool conducted by the National Producers, the first being in the fall of 1925 when about 3,400 animals were purchased cooperatively.

In the opinion of the management of the National Producers, several desirable results were accomplished by the methods employed in conducting the 1926 pool: Only the very choicest of the Texas herds were purchased; because of the direct movement from ranch to feed lot the animals reached the Corn-Belt farms in the best possible condition; because of avoiding the terminal markets with their heavy expenses the spread between producer and buyer was as small as possible.

### ST PAUL LIVESTOCK COMMISSION REPORTS

Net earnings by the Central Cooperative Commission Association, South St. Paul, amounted to \$148,924 for 1926. The net earnings for 1925 were \$113,506; for 1924, \$101,884; and for 1923, \$96,373. These net earnings were large despite the fact that the association's commission charges for selling livestock are considerably below the average charges for the South St. Paul livestock market. The 1926 net earnings will be used to pay interest to the amount of 8 per cent on the capital stock of the association, to refund to members shipping to the association 35 per cent of the commission charges deducted by the association at time of settlement, and for increasing the association's reserve.

During 1926 the association handled livestock which was the equivalent of 22,990 car loads. Total sales amounted to \$40,908,878, compared with \$34,346,912 for the preceding year. It is stated by the management of the association that this cooperative enterprise handled 25.9 per cent of the total business at the St. Paul Union Stockyards during the past year, compared with 23.9 per cent for 1925, and 25.9 per cent for 1924.

The association was formed in 1921. It began operating in the fall of that year. The amount of activity for the five complete calendar years that it has been functioning is indicated by the following figures:

Year	Cars handled*	Sales	Net earnings	Patronage refunds
1922	15,571	\$21,756,804	\$101,753	\$78,322
1923	20,339	24,723,051	96,373	72,753
1924	20,011	25,225,478	101,884	90,000
1925	20,009	34,346,912	113,506	92,476
1926	22,990	40,908,878	148,924	#128,068

\* Including stock driven in and delivered by truck.

# Thirty-five per cent of commissions.

The number of animals of different species handled from year to year will be noted by figures below:

Year	Cattle	Calves	Hogs	Sheep	Total
1922	131,897	117,219	691,356	58,858	999,330
1923	139,722	143,615	1,072,476	53,668	1,409,481
1924	126,834	150,886	1,084,471	58,349	1,420,540
1925	135,847	175,040	987,075	70,015	1,367,977
1926	176,272	212,063	1,031,223	103,220	1,522,878

NEW YORK COURT HOLDS MEMBERS NOT LIABLE

On December 31, 1926, the Court of Appeals of New York State decided a case not yet reported, involving the liability of members of the Greene County Sheep Breeders' Cooperative Association, Inc., on account of a contract entered into by the association, (Mandell v. Cole, et al.) The association in 1919 entered into a contract with John E. McMurtry & Co., New York City, under which this company agreed to sell the wool received by the association from its members. As a part of this undertaking the company agreed to advance to the association not more than 80 per cent of the value of the wool of each grade. Over 100 members of the association delivered wool thereto. When all the wool received by the company from members of the association had been sold, it appeared that the amount received was less, after expenses were considered, than the amounts advanced to the association and by it paid to its members.

John E. McMurtry & Co. assigned their claim growing out of the excess advances to the plaintiff in this case, who then brought suit. Only the association and four of its members were served with process. On the trial of the case the plaintiff elected to abandon his claim against the association and to proceed against the four members of the association who had been served with process, although, as indicated above, over 100 members of the association had delivered wool thereto, which wool was received and sold by John E. McMurtry & Co. In other words, the plaintiff sought to hold the four members of the association for all of the losses incurred by John E. McMurtry & Co. through excessive advances on account of the wool received from over 100 members of the association. The trial court decided the case in favor of the plaintiff and the appellate division affirmed this decision, whereupon the four members of the association appealed the case to the court of appeals of New York State, which court held that the four members were not liable.

The certificate of incorporation of the wool association authorized it to act as the agent for its members and provided that the liability of members was restricted to \$10 each. An earlier decision by the court of appeals of New York State, involving an unincorporated association, was apparently the basis for the decision in the lower courts in favor of the plaintiff. In the case involving the unincorporated association a few of the members thereof were held liable although other members of the association were as interested in the proposition involved as they were. This, it may be noted, is the general rule with respect to unincorporated associations, namely, if an unincorporated association is engaged in business, two of its members, for instance, may be held liable and required to pay, if financially responsible, for all of its debts, although there may be 100 other members who were as interested in the business as the two. This case shows some of the advantages of incorporation.



BILL OF LADING TO BUYER DETERMINES TITLE

In the case of Mullins v. Farris, decided by the Supreme Court of West Virginia, 131 S. E. 6, the plaintiff in response to the order from the defendant shipped 702 hampers of green beans. The bill of lading was made out to the buyer who rejected the beans upon arrival. The plaintiff brought suit and the trial court gave him a judgment for \$1,168, which judgment on appeal was affirmed. In affirming the judgment the court followed the rule that,

If goods are sold to be shipped by a common carrier, the general rule is that the title passes to the buyer and a right of action for the purchase price vests in the seller upon delivery to the carrier, consigned to the purchaser, of merchandise of the kind, quality, and quantity specified in the contract, properly prepared for shipment.

L. S. Hulbert.

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MAINE POTATO GROWERS' RECEIVER BRINGS SUIT

In the case of Cunningham v. Long, 135 A. 198, the Supreme Court of Maine passed upon a case in which the receiver for the Maine Potato Growers' Exchange was suing the defendant, a member of one of the locals of the Exchange, for \$336.81 on account of money paid by the Exchange to him for potatoes delivered, or to be delivered, by the defendant, and for storage of potatoes of the defendant, furnished at his request." The trial court decided the case in favor of the receiver and the defendant unsuccessfully appealed. The defendant objected to the judgement of the trial court on the ground that the judge was not qualified to preside in the case because he was formerly the attorney for the Exchange and a member of one of the locals. In this connection the defendant claimed that the judge would be entitled to share proportionately in any funds remaining in the hands of the receiver for distribution." The appellate court recognized the rule that "any person having a distinct pecuniary interest in the result of any controversy ought not to adjudicate in such case from fear that his interest might influence his judgment." The court, however, pointed out that there were exceptions to the rule and that if the interest of the judge was remote or theoretical it would not operate to disqualify him. The court held in regard to the matter that inasmuch as "the record does not disclose any likelihood that any dividend from the assets of the Exchange would ever be paid," the trial judge was not disqualified.

L. S. Hulbert.



One of the paragraphs of the marketing contract read as follows: "The association shall pool or mingle the potatoes of the grower with potatoes of like variety, grade and quality, delivered during the same week by other growers. The association shall grade the potatoes, and the classification shall be conclusive." In order to defeat the suit of the receiver, the defendant offered to show that if his potatoes had been handled in accordance with the paragraphs quoted, the paragraph in the marketing agreement with reference to the resale of the potatoes, and the provisions in the agreement providing that the "net proceeds of all potatoes of like variety, quality and grade in any weekly pool, less charges, costs and advances, shall be divided ratably among the growers in proportion to their deliveries," that a much larger sum would be received by him from the Exchange than he actually received, which of course, would have reduced at least the amount of the claim of the receiver against him.

All of the testimony offered by the defendant in regard to these matters was excluded on the ground that the paragraph of the contract quoted above was not mandatory. The defendant claimed that the words "shall pool" and "shall grade" were mandatory, and that the failure of the Exchange to do these things constituted a defense, in part at least, to the suit of the receiver. The Supreme Court held that the language in question, in view of the entire contract and of the construction which had been placed thereon, by the parties thereto was not mandatory and that the trial court did not err in excluding this testimony.

The defendant further contended that inasmuch as the Exchange had entered into a contract with a party who held a number of crop mortgages upon the crops of the individual who were members of the several local associations, under which the Exchange guaranteed to pay him a sum equal to the 1924 fertilizer bills of these members covered by his crop mortgages, which transaction resulted in a loss to the Exchange because the sum paid this party by the Exchange exceeded the net amount received for potatoes delivered to the Exchange by his mortgagors, the amount of the claim of the Exchange against him should be reduced. The court, however, held that this transaction which apparently was authorized by the marketing agreement, did not violate defendant's legal rights.

L. S. Hulbert.

### NEBRASKA FARMERS' UNION REPORTS SURPLUS

The Farmers' Educational and Cooperative State Union of Nebraska, Omaha, closed the year 1925, with a surplus of \$137,036. Its operating expense for the year, \$12,304, was the lowest in seven years. The 896 active locals reported 19,382 paid-up members. The State Union, besides its educational work, is a parent organization for a number of separately organized Farmers' Union enterprises, including livestock and grain sales agencies, creameries, a farmers' exchange handling farm supplies at whole-sale and retail, a weekly paper, and an insurance company.

### NEBRASKA FARMERS' UNION EXCHANGE EARNS PROFIT

An operating profit of \$34,221 is reported by the management of the Farmers' Union State Exchange, Omaha, Nebr., for the year ending December 31, 1926. Total sales for the year amounted to \$1,512,024. Two dividends of 4 per cent, amounting to \$26,754, were paid on the capital stock of the Exchange during 1926 and two dividends were paid during 1925.

At the close of the last business year there was capital stock outstanding to the amount of \$332,087, also a surplus of \$18,478. The goods on hand in the Omaha station on December 31, had an inventory value of \$181,155. Nine branch stores reported goods inventoried at \$127,629.

This enterprise is engaged in providing on a cooperative basis the more important of the supplies required by Nebraska farmers. It was established in 1914 as a branch of the Nebraska Farmers' Educational and Cooperative State Union. Five years later it was incorporated as a separate enterprise. In 1925 it was re-incorporated. Its share capital is held by about 7,000 members.

The growth of the enterprise since 1921 is indicated by the following figures:

Year	Sales	Fixed assets	Branch house investments	Share capital outstanding
1921	\$1,468,133	-----	-----	-----
1922	1,148,069	-----	-----	-----
1923	1,335,661	\$34,789	\$ 93,782	\$711,625
1924	* 1,338,000	34,201	120,585	704,450
1925	* 1,521,311	34,596	121,660	# 336,197
1926	* 1,512,024	33,277	127,629	332,087

\* Not including business of branch stores.

# Following a recapitalization in which par value of shares was reduced to actual value.

OHIO SERVICE ASSOCIATION BUYS FARM SUPPLIES

Organized in January of 1923 the Ohio Farm Bureau Service Company has completed its fourth year. Fertilizer purchases for the period amounted to \$398,013 and feed purchases to \$77,152. Approximately 10,000 tons of feed was included in the 1925 pool. A total of 740,000 pounds of binder twine was purchased. During the year 2,000,000 bushels of grain obtained from Ohio elevators, was sold, largely to millers in the states to the south of Ohio.

Feed and fertilizer purchases for the four years were as follows:

Year	Fertilizer	Feed	Total
1923	\$ 68,247	-----	\$68,247
1924	108,224	\$16,350	124,574
1925	119,398	32,125	151,523
1926	102,144	28,677	130,821

It is stated by the management that the patronage refunds for the four years amounted to about \$400,000, and that in addition, \$300,000 of surplus has been accumulated.

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TEXAS CORPORATION TO BEGIN BUYING FERTILIZERS

A new service corporation known as the Texas Farm Bureau Service Corporation has been set up for the purpose of pooling the buying power of the members of cooperative organizations of the state. It is not proposed that the Service Corporation shall go into the business of buying and selling on its own account but that it shall pool orders in large volume and contract for supplies at wholesale prices. While the powers of the corporation are broad enough to cover the purchasing of any desirable commodities, it is proposed for the present to limit the work to buying fertilizer materials. The overhead cost is to be kept at a minimum.

The fertilizer requirements of the members of cooperatives are very heavy and the plan for purchasing at wholesale prices is expected to result in considerable savings. Straight materials will be handled and also mixed goods. Authorities of the A. & M. College will provide formulas adapted to soil and crop conditions of the state. The plan of purchasing will be through county pools, the pooling of orders to be under the supervision of the county farm bureaus in cooperation with the fieldmen of the cotton association. The services may be extended to nonmembers at the discretion of the directors.



### COOPERATIVE LAND-HOLDING SOCIETIES IN INDIA

In a recent letter to the Madras Provincial Cooperative Union, Ltd., Royapettah, Madras, India, the Registrar of Cooperative Societies, states that there are 260 cooperative land-holding societies in the Madras Presidency, India. The purpose of these societies is to acquire house sites and construct buildings and to acquire land for cultivation. When land is needed for house sites it is acquired by the government and turned over to a cooperative society formed for the purpose, which society undertakes to repay the government within a fixed time. Lands for cultivation are obtained on long-time leases.

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### PRODUCERS' AND CONSUMERS' COOPERATIVES IN AUSTRALIA

Labour Report, No. 15, of the Commonwealth Bureau of Census and Statistics, Melbourne, Australia, dated July, 1925, presents the latest available statistics regarding the cooperative societies of that country. Information was collected from registered societies by means of questionnaires and returns from only actual cooperatives were included in the compilation of statistics. The cooperatives were grouped in two classes, producers and consumers, the former including "those engaged in the manufacture and marketing of primary products and trade requirements," and the latter including "those engaged in retailing general household requirements."

Statistics for the producers' societies, arranged by states, are as follows:

State	Number of societies	Number of members	Sales
New South Wales	52	39,050	£14,966,287
Victoria	55	50,860	11,277,168
Queensland	26	21,844	2,663,539
South Australia	20	19,027	3,941,454
Western Australia	17	1,748	280,558
Tasmania	10	4,760	156,434
Total	180	137,289	£33,285,440

The consumers' cooperatives numbered 118 with a total membership of 86,116. The distribution by states was as follows: New South Wales, 29 societies with 34,380 members; Victoria, 27 societies, 9,654 members; Queensland, 7 societies, 3,161 members; South Australia, 11 societies, 32,317 members; Western Australia, 40 societies, 5,858 members; Tasmania, 4 societies, 746 members. Total sales for 1924 were £5,757,145.



### MANITOBA HOLDING SIX SCHOOLS OF COOPERATION

"Schools of Cooperation" are being held at country points in Manitoba under the direction of the Cooperative Marketing Board of the province. Six points have been selected for two- and three-day schools. As the subjects to be discussed are chosen by the local committees, the same program is not to be presented at each place. Marketing of dairy products livestock, eggs and poultry, and grain, are among the special topics, while principles and practices, the local problems of cooperatives, and consumers' cooperation, will also be given consideration.

The main purpose of these schools is to interest young men and women of the rural districts in the cooperative movement, as it is to these young people that the community must look for future leadership.

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### SHORT COURSE ON COOPERATIVE MARKETING IN MISSOURI

A three-days short course for directors, officers and managers of cooperative marketing associations will be held at Columbia, Mo., February 8, 9 and 10. The course has been arranged by the Department of Economics of the College of Agriculture of the University of Missouri, in cooperation with the Missouri Farmers' Association and the U. S. Department of Agriculture.

The program includes 26 addresses upon different phases of cooperative marketing. Among the titles of the formal addresses are the following: Weaknesses of our marketing system, and cooperation as a proposed remedy; Recent developments and present trends in cooperative marketing; Economic, legal and financial forms of organization; Merchandising Missouri poultry products; What the cooperative commission companies can do for shipping associations.

Special features have been arranged for the three evening meetings. One evening will be given to a model board meeting of a local association, conducted by the members of the economics department of the College of Agriculture; the second evening will be devoted to motion pictures and lantern slides; and the third to a banquet.

In addition to the members of the college faculty who will contribute to the program, speakers have been secured from the large-scale livestock, poultry and grain marketing associations. An attorney will speak on legal problems, and auditors will discuss book-keeping problems of livestock shipping associations, country grain elevators, and local exchanges.

Other features of the school are round-table discussions two afternoons and a livestock-grading contest the third afternoon. Copies of the program may be had on request to the College of Agriculture, Columbia, Mo.

### WISCONSIN HOLDS TWELVE COOPERATIVE INSTITUTES

Twelve cooperative institutes were conducted in the winter of 1925-26 by the Department of Farmers' Institutes of the Wisconsin College of Agriculture, according to a report from the Superintendent of Institutes, and a similar series is planned for the present season. So far the meetings have been of three days' duration.

Two of the 1925-26 institutes dealt with American cheese; three, with foreign cheese; four, with butter; and three, with eggs. The attendance ranged from 1,030 to 48 (during a storm), with an average of 414. Two hundred forty-one butter and cheese factories were represented at the various meetings, and at one, 53 factories were represented.

Each institute was located at a convenient point in a commodity area, and an effort was made to secure attendance, from a wide area, of representative producers, officers and directors of creameries and cheese factories, also persons who were likely to develop into good leaders.

The butter and cheese marketing institutes took on the character of congresses of factories in areas 30 to 40 miles in diameter. One man came 60 miles to represent his factory. The programs were not restricted to marketing work, but included production, and an effort was made to cover all the problems a cooperative has to meet. Financing of cooperatives and their business management were regular subjects on the programs. Great effort was made to secure well-informed speakers upon the different subjects, and the list included representatives of the College of Agriculture, the State Department of Markets, several county farm bureaus, and most of the prominent cooperative associations of Wisconsin and Minnesota.

Among the results of the institutes the following are noted: (1) At eleven institutes the persons in attendance formulated constructive resolutions on merchandising either American cheese, foreign cheese, butter or eggs. (2) A delegation of 16 foreign cheese factory patrons made a trip to Plymouth to study methods of selling cheese. (3) At one institute a committee was appointed to draft a plan to reward cheese-makers for increasing the amount of cheese in the higher scores. (4) Steps were taken toward organizing a cooperative creamery unit for two counties. (5) One institute developed the idea of a cooperative creameries field day, which was a highly successful event. (6) A test for showing the bacterial content of milk was demonstrated at the dairy institutes, with the result that the Wisconsin Cheese Producers' Federation endorsed the use of this test and began presenting the necessary equipment for making it to the factories as prizes.

Three of the 1926-27 institutes will be held in the region producing American cheese; three, in the region producing foreign cheese; three in the section where creameries are numerous; two, in poultry and egg producing sections; and one, in a tobacco producing area.

REPORTED BY THE ASSOCIATIONS

Total business transactions by the Tulare Cooperative Poultry Association, Tulare, Calif., amounted to \$287,608, for 1926. Expenses were \$18,003, or about 6 per cent of sales. Fourteen thousand cases of eggs were marketed, the selling value being \$124,000. Poultry sales amounted to \$54,000.

Production credit for association members at  $6\frac{3}{4}$  per cent is advertised by the Texas Cotton Growers' Finance Corporation, Dallas, re-discounting with the Federal Intermediate Credit Bank. Loans must be for production purposes only, and must be covered by adequate security. The sum of \$55,000,000 is available if required.

Settlement of damage claims without litigation whenever possible, is the policy of the Northern Wisconsin Cooperative Tobacco Pool, Madison, Wis. This plan does away with court costs and also with unfavorable publicity and ill feeling. It is reported that the Pool has been successful in settling many cases without court expense to either the growers or the organization.

Service companies were established in eight Ohio counties during 1926 by the Ohio Farm Bureau Corporation, Columbus, for the purpose of assisting in the financing of local cooperative enterprises. Through the service company in Greene County, livestock concentration yards were acquired for use of the local livestock shipping association. Assistance was also given the Central Ohio Livestock Cooperative Association. There were 16 county service companies in the State at the close of 1926.

Among the new undertakings of the Farmers' Equity Union for 1926 was the launching of the Illinois Equity Exchange Company at Effingham, Ill., which receives and markets eggs, poultry and other products for its members. It occupies a new building 48 x 96 feet in size, two stories in height with a full sized basement. Modern cooling and refrigerating equipment has been installed, that eggs and dressed poultry may be kept in proper condition while awaiting shipment to the consuming centers.

Certificates of credit are being issued by the Lake Region Cooperative Egg and Poultry Producers' Association, Aitkin, Minn., for the purpose of showing the equity of each member in the capital reserve. As a result of two and one-half years of operation the reserve amounts to nearly \$5,000. As soon as a member's equity amounts to \$10, a certificate will be issued. Interest at the rate of 8 per cent from January 1, following date of issue, will be paid annually, the distribution of dividends checks being made a feature of the annual meeting.



INDEX FOR LAST YEAR READY FOR DISTRIBUTION

Copies of the Index to Vol. IV of Agricultural Cooperation are ready for distribution. Persons desiring this index in order to complete their files of the circular for 1926 should make request at once to the Division of Cooperative Marketing, U. S. Department of Agriculture, Washington, D. C.

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CIRCULAR RE MARKETING EGGS AND POULTRY

"Activities of Cooperative Egg and Poultry Marketing Associations, 1925," is the title of an eight-page mimeographed circular issued by the Division of Cooperative Marketing, Bureau of Agricultural Economics, Washington, D. C. The report contains data regarding the membership and volume of business of 49 associations handling eggs and poultry during 1925. Copies of this circular may be had upon request.

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NEW YORK DISCUSSES FARMERS' MOVEMENTS

"The Green Rising," by W. B. Bizzell, President of the University of Oklahoma, bears the subtitle "An historical survey of agrarianism, with special reference to the organized efforts of the farmers of the United States to improve their economic and social status." The writer visited Europe in 1924 and was impressed with the determination of farm populations "from the Balkan States to the North Sea and westward to the Atlantic Ocean, to improve their economic and social conditions." One chapter is devoted to a summary of the cooperative movement in the United States.

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STUDY MADE OF FOUR LARGE-SCALE MARKETING ASSOCIATIONS

"Membership Relations of Cooperative Associations," is the title of U. S. Department of Agriculture Circular No. 407. The circular is based on a study of four large associations, two engaged in marketing cotton, and two in marketing tobacco. The study was made by the Division of Cooperative Marketing in cooperation with the Agricultural Experiment Station of the University of Kentucky. The contents include: Membership problems, satisfaction of members with associations, some sources of dissatisfaction, field service of centralized cooperatives. Copies may be procured from the Division of Cooperative Marketing, U. S. Department of Agriculture, Washinton, D. C.



SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Dickey, J. A. 1927 Should Be Good Year for Cooperative Marketing Cause. Cotton Association News, Little Rock, Ark. January 10, 1927, p. 4.
- Hanemann, H. A. Business Analysis in Cooperative Management. Keystone Cooperation, Harrisburg, Pa., December, 1926, p. 7.
- Ives, N. S. A Texas Cooperative. Hoard's Dairyman, Ft. Atkinson, Wis., January 25, 1927, p. 60.
- Kansas Cooperative Wheat Marketing Association. Annual Report of the General Manager, 1925 pool. 24 pp. Wichita, Kans., 1926.
- Kuhrt, W. J. Costs of Operation of a Group of Farmers' Elevators. Farmers' Elevator Guide, Chicago, January, 1927, p. 16.
- McCartney, H. E. Selling Hogs Direct. Wallaces' Farmer, Des Moines, January 7, 1927 p. 19.
- Peck, F. W. Team Work in Farm Business: What Cooperative Marketing Means to Minnesota Agriculture. Wisconsin Agriculturist, Racine, January 15, 1927, p. 3.
- Poe, Clarence. The Facts About the Tobacco Association. Progressive Farmer, Raleigh, N. C., January 22, 1927, p. 4.
- Reis, Alvin C. Wisconsin's Gold Mine in Cooperation: The Chance of a Lifetime to Put Our Cooperative Butter Marketing Program on the Map. Wisconsin Farmer, January 13, 1927, p. 39.
- Rubinow, S. G. Flagging Cooperative Failures: How Cooperatives Should be Built. Successful Farming, Des Moines, January, 1927, p. 11.
- Sapiro, Aaron. Growers Need Fighting Spirit. Louisiana Farm Bureau News, Baton Rouge, January 15, 1927, p. 1.
- Sun-Maid Year Book, 1926: A Report to the Members on the Activities of the Association. 16 pp. Sun-Maid Raisin Growers of California., Fresno, 1926.
- Tobacco Association Expenses: Receivers' Report Summarizes What Money Was Spent For. Progressive Farmer, Raleigh, N. C., January 22, 1927, p. 6.
- Steen, Herman. Big Soft-Wheat Pool Proposed by Indiana Farm Bureau. Missouri Farmer, Columbia, Mo., January 1, 1927, p. 3.

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